

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, SEPTEMBER 17, 2008**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of September 17, 2008, was called to order by Mayor Mounce at 5:07 p.m.

Present: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson, Council Member Katzakian, and Mayor Mounce

Absent: None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

C-2 Announcement of Closed Session

- a) Prospective Acquisition of Real Property Located at 232 North Washington Street (APN #043-087-17), 242 Rush Street (APN #043-090-13), and 420 East Lockeford Street (APN #043-202-29), Lodi, California; the Negotiating Parties are City of Lodi and Union Pacific Railroad Company; Government Code §54956.8
- b) Actual Litigation: Government Code §54956.9(a); One Case; City of Lodi v. Michael C. Donovan, an Individual; Envision Law Group, LLP, et al., San Francisco Superior Court, Case No. CGC-05-441976
- c) Conference with Blair King, City Manager (Labor Negotiator), Regarding Unrepresented Executive Management - Fire Chief - Pursuant to Government Code §54957.6

C-3 Adjourn to Closed Session

At 5:07 p.m., Mayor Mounce adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 6:51 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:03 p.m., Mayor Mounce reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

Item C-2 (a) was discussion and direction only; Item C-2 (b) was discussion only; and Item C-2 (c) was not discussed.

A. Call to Order / Roll call

The Regular City Council meeting of September 17, 2008, was called to order by Mayor Mounce at 7:03 p.m.

Present: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson, Council Member Katzakian, and Mayor Mounce

Absent: None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

- B. Invocation - Reverend Dr. Alan Kimber, First United Methodist Church
- C. Pledge of Allegiance
- D. Presentations
- D-1 Awards - None
- D-2 Proclamations - None
- D-3 Presentations - None
- E. Consent Calendar (Reading; Comments by the Public; Council Action)

Council Member Hitchcock made a motion, second by Council Member Johnson, to approve the following items hereinafter set forth in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson, Council Member Katzakian, and Mayor Mounce

Noes: None

Absent: None

- E-1 Receive Register of Claims in the Amount of \$1,666,974.44 (FIN)

Claims were approved in the amount of \$1,666,974.44.

- E-2 Approve Minutes (CLK)

The minutes of September 2, 2008 (Shirtsleeve Session), September 3, 2008 (Regular Meeting), and September 9, 2008 (Shirtsleeve Session) were approved as written.

- E-3 Approve Specifications and Authorize Advertisement for Bids for the Installation of Automated Residential Electric Meters (EUD)

Approved the specifications and authorized advertisement for bids for the installation of automated residential electric meters.

- E-4 Adopt Resolution Awarding the Contract for School Street and Spruce Street Wastewater Pipe Improvement Project to L.R. Gomez Construction, of Dixon (\$63,130), and Appropriating Funds (\$83,000) (PW)

Adopted Resolution No. 2008-184 awarding the contract for School Street and Spruce Street Wastewater Pipe Improvement Project to L.R. Gomez Construction, of Dixon, in the amount of \$63,130 and appropriating funds in the amount of \$83,000.

- E-5 Adopt Resolution Awarding the Contract for Traffic Signal Modification Project at Church Street and Lockeford Street and at Elm Street and Ham Lane to Tim Paxin's Pacific Excavation, Inc., of Elk Grove (\$102,056), and Appropriating Funds (\$138,000) (PW)

Adopted Resolution No. 2008-185 awarding the contract for Traffic Signal Modification Project at Church Street and Lockeford Street and at Elm Street and Ham Lane to Tim Paxin's Pacific

Excavation, Inc., of Elk Grove, in the amount of \$102,056 and appropriating funds in the amount of \$138,000.

E-6 Adopt Resolution Authorizing the City Manager to Execute an Agreement to Participate in the CALNET2 Contract between the State of California and AT&T through December 2010 (CM)

Adopted Resolution No. 2008-186 authorizing the City Manager to execute an agreement to participate in the CALNET2 contract between the State of California and AT&T through December 2010.

E-7 Accept Notice of Draft Amendments to Conflict of Interest Code for the Year 2008 (Government Code §87306.5) (CA)

Accepted for filing a draft resolution amending the list of boards, commissions, City employees, and officers subject to Conflict of Interest reporting requirements for publication and public comment.

F. Comments by the Public on Non-Agenda Items
THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.
The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted. Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

Noma Sawtelle, a Loel Center resident, spoke in favor of the hot lunch and Meals on Wheels program offered by the Loel Center. Ms. Sawtelle thanked the City Council for the kitchen improvement grant and its ongoing support of the Loel Center.

G. Comments by the City Council Members on Non-Agenda Items

There were no comments by Council Members on non-agenda items.

H. Comments by the City Manager on Non-Agenda Items

City Manager King stated the recruitment flyer for the Community Development Director position is available and interviews for the Deputy City Manager position will be conducted on October 8, 2008.

I. Public Hearings

I-1 Conduct Continued Public Hearing to Consider and Approve a General Plan Amendment for Reynolds Ranch (CD)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Mounce called for the continued public hearing to consider and approve a General Plan Amendment for Reynolds Ranch.

City Manager King briefly introduced the subject matter of the Reynolds Ranch request for approval.

Interim Community Development Director Rad Bartlam provided a PowerPoint presentation regarding the request for approval from Reynolds Ranch. Specific topics of discussion included the vicinity map, aerial view, original General Plan map, proposed General Plan map, original land plan, proposed land plan, Planning Commission review and approval, input from surrounding residents, and considerations regarding Stockton Street and Frontage Road access, historic designation, park acreage, increased traffic, and increased commercial space.

In response to Council Member Hitchcock, Mr. Bartlam stated the addendum, prepared by the firm retained by San Joaquin Valley Land Company, found that the proposed changes to the project are not significant enough to do a full revised Environmental Impact Report (EIR). Mr. Bartlam stated that under the California Environmental Quality Act the addendum process is applicable when a project changes, but environmental impacts do not rise to the level of significant changes creating the need for a supplemental report.

In response to Council Member Hitchcock, Mr. Bartlam stated the key is not a rise in traffic itself, but rather the impact of traffic on intersections so as to require any intersections to be changed to continue to be an acceptable level of service.

In response to Council Member Hitchcock, Mr. Bartlam stated both he and Mr. Sandelin agree with the addendum findings. Mr. Bartlam stated substantially more severe means more of a traffic impact has been created. Mr. Sandelin discussed the 2006 EIR assumptions on trip generation from vehicles in the area, the precise trip generation numbers being used to reflect what the actual usage may be, trip reduction, prior levels of service made on a conservative basis, and higher specificity of numbers allowing for intersections to operate at suggested levels.

In response to Council Member Hitchcock, Mr. Sandelin stated that, while the methodology in the two traffic studies are different, both methods are standards of practice and one is not favorable over another and staff worked with the existing software required by CalTrans.

In response to Council Member Hitchcock, Mr. Sandelin stated a numbers game was not played as assumptions were made when the project was broad and more specific data is now available. He stated staff does not believe traffic going north or south will impact the study.

In response to Council Member Hitchcock, Mr. Sandelin stated there are two projects for Highway 99, Level E and F designations are pre-improvement based, and signalizing projects move the level to D. Mr. Bartlam stated intersections are sized for worst case scenarios, which generally is between 4:00 p.m. and 6:00 p.m., and the remainder of the time the level is C.

Mayor Mounce disclosed that she previously spoke with the subject developer and residents regarding the project. Council Member Johnson and Mayor Pro Tempore Hansen disclosed that they spoke with the developer regarding the project.

In response to Mayor Mounce, Mr. Bartlam stated the Skinner property is designated by existing land uses, the EIR incorporated historic landmark property which is still applicable, there is no change in the amendment with respect to impact, and the changes do not affect the property any more than that which was discussed in 2006.

In response to Council Member Hitchcock, Mr. Bartlam stated the proposed changes incorporate more parking than what the Code requires and details will come forth for approval.

In response to Council Member Hitchcock, Mr. Bartlam stated the only circulation map that exists is the parkway and there is a required trail. Council Member Hitchcock requested a copy of the circulation map.

Hearing Opened to the Public

Bill Fuhs spoke in opposition to the proposed project amendment based on his concerns regarding the need for a new EIR, the need to put the matter to a public vote, and the elimination of the proposed school site.

Charles and Melissa Katzakian spoke in opposition to the proposed project amendment based on their concerns regarding the impact from traffic, whether or not a hotel is needed, and their property proximity to retail.

In response to Council Member Katzakian, Ms. Katzakian stated there was an offer to purchase property in April 2006 prior to Blue Shield committing, there was a 24-hour response time, and there were no appraisals.

In response to Council Member Katzakian, Ms. Katzakian stated she spoke to someone at the office for historic designations who found that the EIR was inadequate and lacking towards historic information.

In response to Mayor Pro Tempore Hansen, Ms. Katzakian stated they did not counter in the 24-hour period, the focus was on getting the home moved, and mitigation for dust issues was provided by way of the heating, ventilation, and air conditioning system in the home.

Dennis Sattler spoke in opposition to the proposed project amendment based on his concerns regarding traffic, growth, and General Plan application.

Jim Migliore of Petrovich Development Company requested information regarding the proposed Highway 99 interchange build out in 2013 and the timelines for the improvements.

Jack Dunn spoke in opposition to the proposed project amendment based on his concerns regarding traffic, growth, and General Plan consistency and timing.

Dale Gillespie, developer of the project, spoke in favor of the proposed changes based on the decision of the school district to eliminate the proposed school site, and the unchanged commitments with respect to agricultural mitigation, the payment of impact fees for the water treatment plant, the construction of a fire station, downtown impact fees, and animal shelter. He also discussed the offer and status of negotiations with the property owners for the Skinner property, specifically mentioning discussions with the property owners for a two- to three-week period prior to the 24-hour offer, desire for adaptive use of the property, the seven figure offer to purchase the property, contingencies, Blue Shield closing on the property, counter-offer in the form of a rejection anticipating an additional \$400,000 to \$500,000, and mitigation for health and dust concerns. Mr. Gillespie stated the development of the project is based on users as lenders are cautious in the current economy.

In response to Council Member Hitchcock, Mr. Gillespie stated the project was in the General Plan and he cannot provide the names of the proposed tenants because retailers are user driven and confidential negotiations and agreements. Council Member Hitchcock and Mr. Gillespie also discussed the degree of the proposed changes, senior housing, and density of the proposed changes.

In response to Mayor Pro Tempore Hansen, Mr. Gillespie stated the anticipated time frame for the project is 2009 for anchor stores to open, 2010 for additional businesses to occupy space for the holiday season, 2010 and 2011 for the rest of the project, and full construction and occupation by 2012.

In response to Mayor Pro Tempore Hansen, Mr. Gillespie stated the first residents should occupy the senior housing in 2010, which is based on lenders as well.

In response to Mayor Pro Tempore Hansen, Mr. Gillespie stated for the retailers the current market and lenders require that the tenants are obtained first and then the facility is built.

Bill Griffiths spoke in a neutral position to the proposed project amendment and stated he would prefer that the other side of Stockton Street also become commercial.

Cindy Schmierer spoke in opposition to the proposed project amendment based on her concerns regarding traffic, growth, and General Plan application.

Dennis Silber spoke in opposition to the proposed project amendment based on his concerns regarding traffic considerations and the EIR impact.

Roger Rehmke spoke in opposition to the proposed project amendment based on his concerns regarding the need for additional single-family housing because the supply is only five months.

Cliff DeBaugh spoke in opposition to the proposed project amendment based on his concerns regarding residual traffic on surrounding streets and the proposed Harney Lane expansion.

Steve Butler spoke in opposition to the proposed project amendment based on his concerns regarding traffic and the retailers that will occupy the space.

Public Portion of Hearing Closed

In response to Council Member Hitchcock, Mr. Bartlam stated the impact of the 38 acres on the General Plan out to the next 30 years is relatively negligible.

In response to a question posed during the public hearing, Mr. Sandelin stated the planning horizon considers serving capacity into 2040 to 2050, scheduling for the Highway 99 improvements if in the 2013 time frame, and ongoing development will contribute to the funding and that analysis will be coming to Council in the future.

In response to a question posed during the public hearing, Mr. Sandelin stated the financing from the Harney Lane project will come from a variety of sources, including developer contributions, local impact fees, regional transportation fees, and Measure K renewal.

In response to Council Member Hitchcock, Mr. Bartlam stated there are as many as 300 to 400 designated retail properties and the General Plan gets updated on an ongoing basis for additions and redesignations so that technically too much land cannot be designated.

In response to Council Member Katzakian, Mr. Bartlam stated Reynolds Ranch is in the current General Plan.

In response to Council Member Katzakian, Mr. Sandelin stated the grade separation for Harney Lane is scheduled with Measure K for 2018 and there are plans to accelerate in light of Union Pacific.

Discussion ensued between Council Member Hitchcock and Mr. Bartlam regarding the original General Plan and designations that were contemplated and considered from 2007-2015.

In response to Mayor Mounce, Mr. King stated the average annual income from sales tax for the last budget was approximately \$10 million and the overall budget is approximately \$43 million.

Mayor Pro Tempore Hansen made a motion, second by Council Member Johnson, to adopt Resolution No. 2008-187 approving the General Plan amendment for the Reynolds Ranch Project.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Johnson, and Council Member Katzakian

Noes: Council Member Hitchcock, and Mayor Mounce

Absent: None

J. Communications

J-1 Claims Filed Against the City of Lodi - None

J-2 Appointments - None

J-3 Miscellaneous

a) Monthly Protocol Account Report (CLK)

Mayor Mounce made a motion, second by Council Member Hitchcock, to approve the cumulative Monthly Protocol Account Report through August 31, 2008.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson, Council Member Katzakian, and Mayor Mounce

Noes: None

Absent: None

K. Regular Calendar

K-1 Adopt Resolution Approving the Boundaries of the Targeted Employment Area for the San Joaquin County Enterprise Zone (CM)

City Manager King briefly introduced the subject matter of the Enterprise Zone.

Management Analyst Jeff Hood provided a PowerPoint presentation regarding the targeted employment area for the San Joaquin County Enterprise Zone. He specifically discussed the status of the Enterprise Zone process, census tracking, and the proposed boundaries for the zone.

In response to Council Member Hitchcock, Mr. Hood stated the potential employees only have to have an address in the targeted area for the credits. He stated the purpose is also to assist businesses in the area by offering certain tax incentives and the 51% number is one that is spelled out by the State.

In response to Mayor Pro Tempore Hansen, Mr. Hood stated the City will most likely receive final designation after the State has adopted its budget because it is linked to tax credits.

In response to Mayor Pro Tempore Hansen, Mr. Hood stated the 44.02 area designated on the

map is the only area that includes residents outside the City limits with respect to the 2,000 figure.

Mayor Mounce made a motion, second by Council Member Katzakian, to adopt Resolution No. 2008-188 approving the boundaries of the targeted employment area for the San Joaquin County Enterprise Zone.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson, Council Member Katzakian, and Mayor Mounce

Noes: None

Absent: None

K-2 Adopt Resolution Establishing Guidelines for the Residential Paint-Up/Fix-Up Program (CD) NOTE: Joint action of the Lodi City Council and Redevelopment Agency

This item was continued to the next regularly scheduled City Council meeting.

K-3 Adopt Resolution Approving Impact Mitigation Fee Program Annual Report for Fiscal Year 2007-08 (PW)

This item was continued to the next regularly scheduled City Council meeting.

K-4 Adopt Resolution Approving Job Description, Salary Range, and Reclassification for the Positions of Assistant City Clerk and Senior Programmer/Analyst and Approving Reclassification of Police Special Services Manager to Management Analyst (CM)

City Manager King briefly introduced the subject matter of the proposed resolution approving job descriptions, salary ranges, and reclassification for certain positions.

Human Resources Manager Dean Gualco provided a brief presentation regarding the reclassifications for the Assistant City Clerk, Senior Programmer/Analyst, and Management Analyst positions. Mr. Gualco specifically discussed the review process for amending job descriptions, bargaining unit review and concurrence, Council approval for upgrades in position classification that require salary adjustments, ongoing efforts to review and update job descriptions Citywide, and proposed classifications for the Assistant City Clerk position resulting in a \$9,700 increase, the Senior Programmer/Analyst Position resulting in an \$1,800 increase, and the Management Analyst position resulting in a 7.2% increase.

In response to Mayor Mounce, Mr. Gualco and Police Chief Main stated the two existing principal functions of the Police Special Services Manager position are community volunteers and the animal shelter. They stated the reclassification is necessary due to the addition of responsibility in providing oversight of the community enforcement activities. Chief Main stated that, while the code enforcement supervisor position will handle the day-to-day operations of code enforcement, the subject position will have overall responsibility of the same and there is a good connection due to the existing position tie in with the community volunteers and the skills and knowledge base required for overseeing both areas simultaneously.

In response to Council Member Hitchcock, Chief Main stated the code enforcement responsibility is not being shifted to the other lieutenant, which was considered, because the other lieutenant is busy with handling internal departmental matters including investigations. Chief Main stated another reason was because there is an existing special connection between the position already handling community related matters and the proposed shift of community enforcement and the

higher salary is a result of the higher responsibility.

In response to Council Member Johnson, Chief Main stated that, while the Partners created an internal rank system, the position still oversees the Community Partners program.

Discussion ensued between Council Member Johnson, Mr. Gualco, and Mr. King regarding the Management Analyst designation and general responsibilities encompassed under that designation including research, the ability to allow for some flexibility in the job description, and a general overview of the Management Analyst job description.

Mayor Pro Tempore Hansen made a motion, second by Council Member Hitchcock, to adopt Resolution No. 2008-189 approving job description, salary range, and reclassification for the positions of Assistant City Clerk and Senior Programmer/Analyst and approving reclassification of Police Special Services Manager to Management Analyst.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson, Council Member Katzakian, and Mayor Mounce

Noes: None

Absent: None

K-5 Approve Expenses Incurred by Outside Counsel/Consultants Relative to the Environmental Abatement Program Litigation and Various Other Cases Being Handled by Outside Counsel (\$68,403.81) (CA)

Council Member Hitchcock made a motion, second by Council Member Katzakian, to approve expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation and various other cases being handled by outside counsel in the amount of \$68,403.81, as detailed further in the staff report.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson, Council Member Katzakian, and Mayor Mounce

Noes: None

Absent: None

L. Ordinances - None

M. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 10:35 p.m.

ATTEST:

Randi Johl
City Clerk